



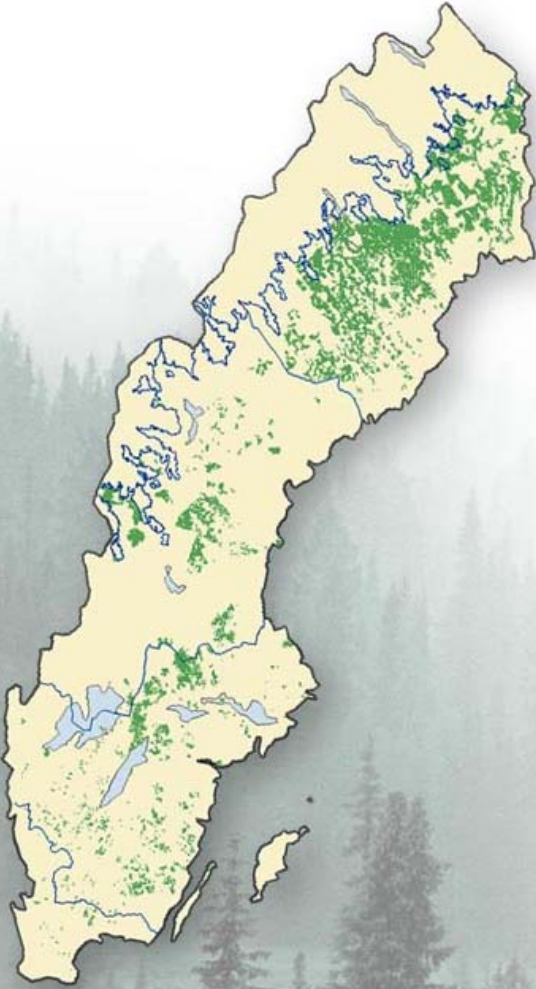

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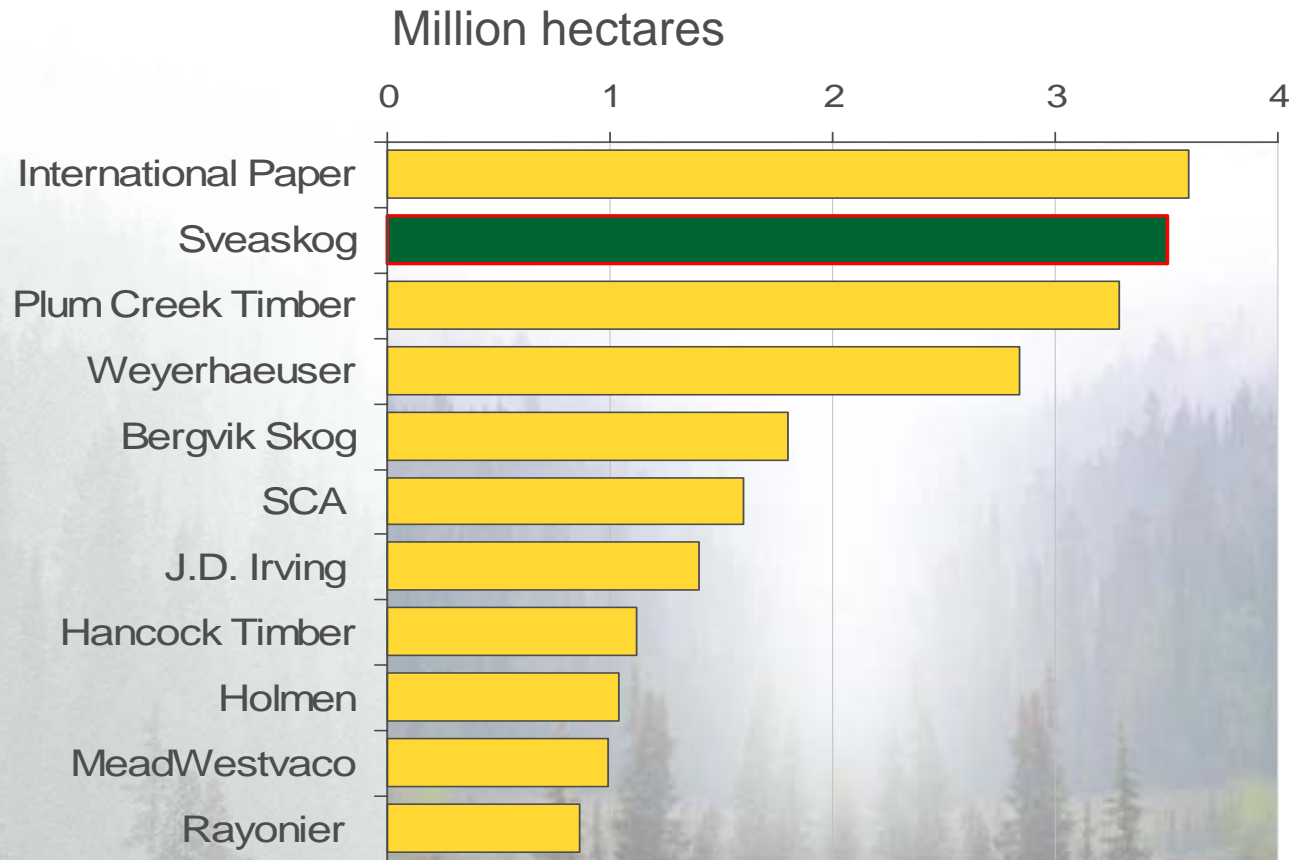
18 May 2005

Sweden's largest forest owner



- 4.5 million hectare of land of which 3.4 million productive forest land
- leading supplier of sawlogs, pulpwood and biofuel
- all forestry conducted according to the Swedish FSC standard
- industrial operations comprising AssiDomän Cartonboard and Setra Group AB (50%)
- wholly owned by the Swedish state

Owners of productive forest land



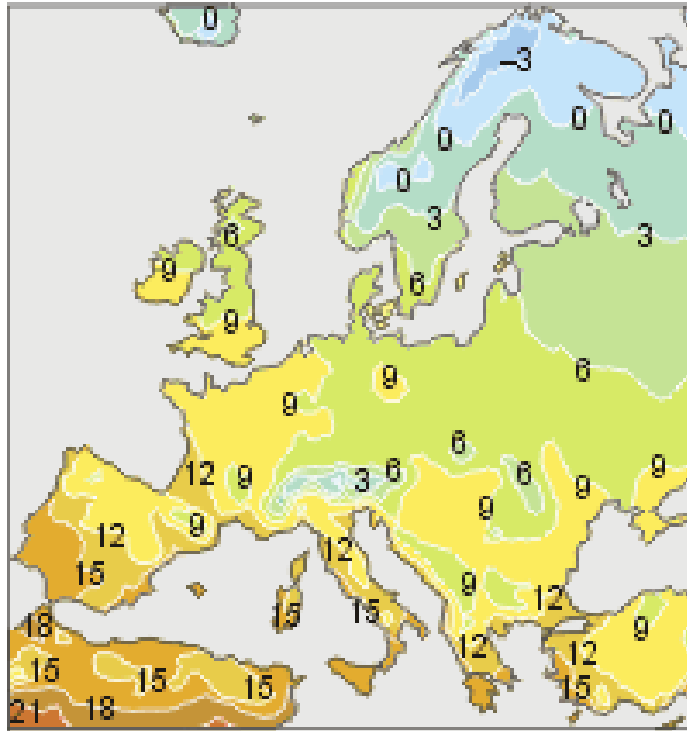
Source: Timwood

Framework

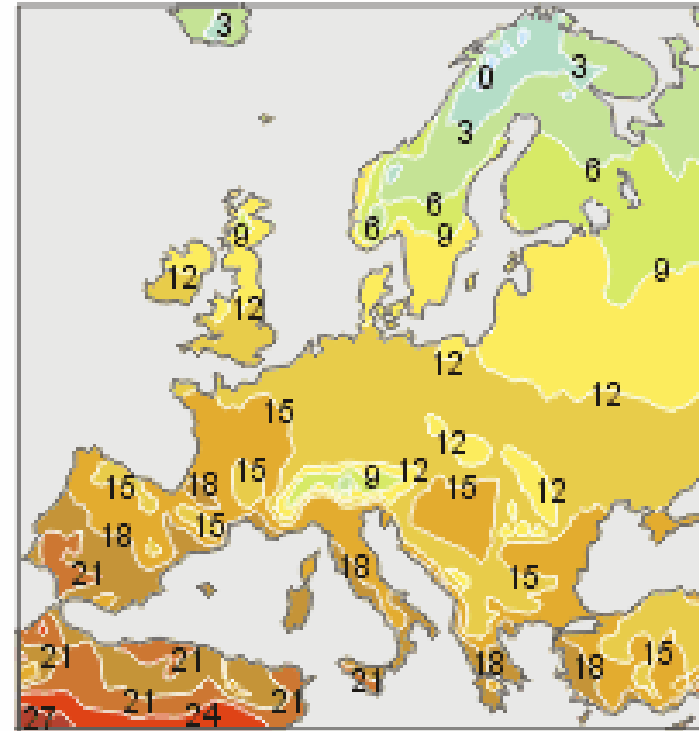
- Drivers
- Potentials
- Market
- Vision
- Strategy

Average temperature

Today



Future



The
Economist

OCTOBER 25TH-31ST 2003

www.economist.com

The Franco-German relationship

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Iran's last chance

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Russia's western borders

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A SURVEY OF CORPORATE LEADERSHIP

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The end of the Oil Age



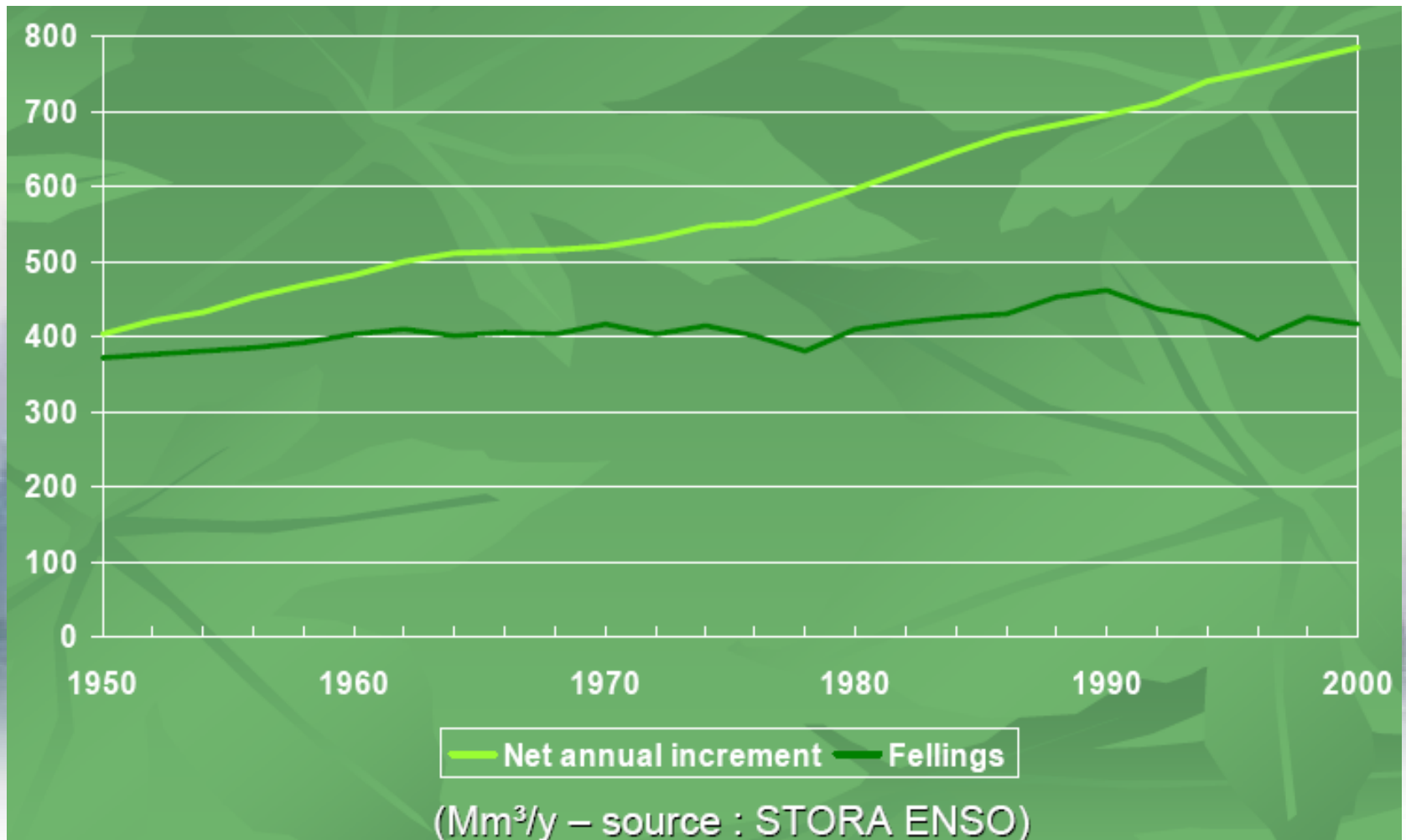
UK	£4.70	Denmark	DKK 35.00	France	€6.50	Germany	€5.70	Italy	€5.00	Japan	¥420
Spain	€4.50	Sweden	SEK 45.00	Switzerland	CHF 5.50	USA	\$7.00	Canada	CA\$10.00	China	¥35.00
India	₹150.00	South Korea	₩60.00	India	₹150.00	China	¥35.00	India	₹150.00	China	¥35.00
China	¥35.00	India	₹150.00	China	¥35.00	India	₹150.00	China	¥35.00	India	₹150.00
India	₹150.00	China	¥35.00	India	₹150.00	China	¥35.00	India	₹150.00	China	¥35.00


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A relevant solution



Increment and demand in Europe



Potentials to increase the available biomass

- Management
- Pre-commercial thinning
- Fertilising
- Stumps
- Reforestation

A development driven by demand

- In connection to new investments in Forest industry
- Increased demand in heat and power sector in Scandinavia
- A number of hot spots in Europe due to green electricity markets: Italy, Holland, Germany, UK and others.

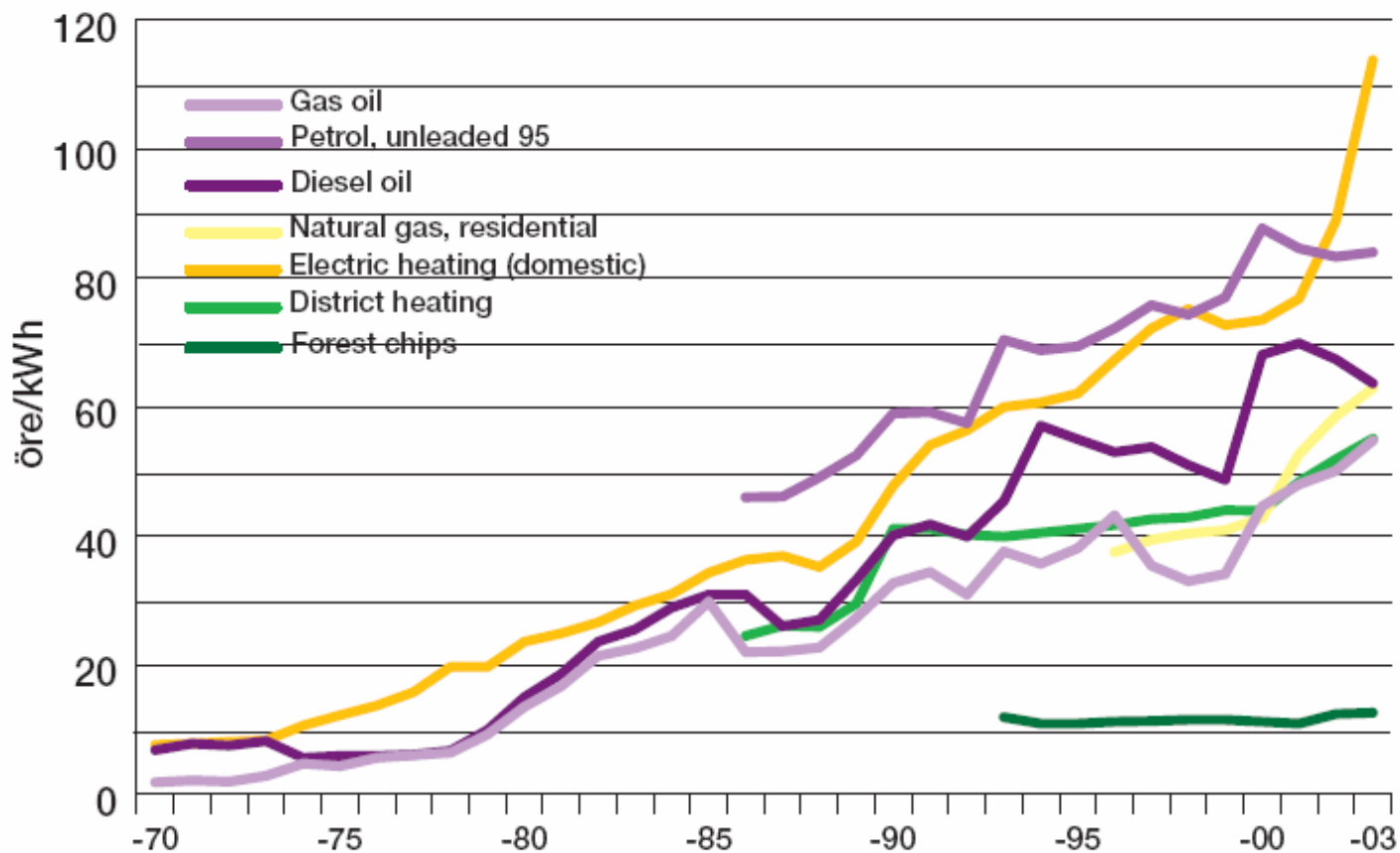


Large scale solutions



Price development has not motivated new volumes

Commercial energy prices in Sweden, 1970–2003, including tax



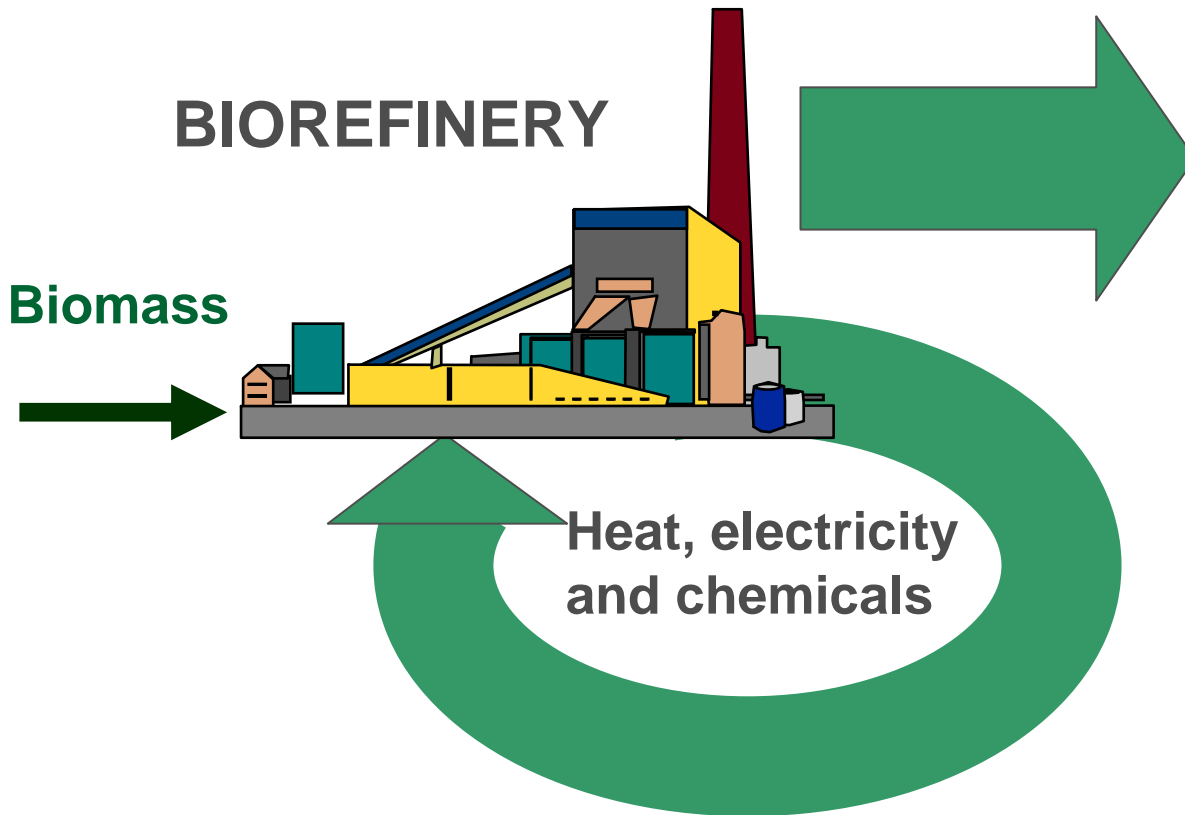
Source: Swedish Petroleum Institute, Statistics Sweden, Eurostat, Swedish Energy Agency processing.

Value added products will be a driving force

- Outsourced heat production
- Power
- Motor fuels
- Chemicals



Increased effectiveness and products development



- Pulp and paper
 - Process efficiency
 - Enhanced product quality
- Heat and power
- Fuel
 - DME/Methanol
 - Renewable diesel
 - Hydrogen gas
- Chemicals (example)
 - Plastic and composite
 - Acetic acid
 - Industry semi products
- New industry & enterprises

Strategic supply discussions with major suppliers

- Volumes
- Quality requirements
- Location
- Value adding structure
- Ability to pay



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